

Agreement to convey property by deed

Agreement made on October 15, 1997, between Derek R. Scruggs, and wife, Lisa A. Scruggs, of 37 Ranch Road, Hernando, Mississippi, referred to as purchaser, and George M. Starrett and wife, Patsy H. Starrett 690 Ranch Road, Hernando, Mississippi, referred to as seller.

SECTION ONE

DESCRIPTION OF PROPERTY

If purchaser shall first make the payments and perform the covenants mentioned below on purchaser's part to be made and performed, seller hereby covenants and agrees to convey and assure to purchaser, and purchaser's heirs, executors, administrators and assigns, in fee simple, clear of all encumbrances whatsoever, by a good and sufficient warranty deed, the parcel of land situated in DeSoto County, Mississippi, described as follows:

Legal description attached

SECTION TWO

PAYMENT OF PURCHASE PRICE

Purchaser hereby covenants and agrees to pay the sum of Nine Thousand Dollars (\$9,000.00) on the execution of this agreement into escrow with James W. Amos, Attorney, with the understanding that said sum less attorneys fees and recording fees of \$325.00, shall be paid over to Seller at such time as Seller submits proof of payment in full of the Twenty Thousand Dollar second mortgage loan on the above described property and the balance of Sixty-five Thousand Dollars Eight Hundred Forty-three and 87/100 Dollars (\$65,843.87), more or less, being the approximate balance owed to Atlantic Mortgage & Investment Corp. payable thereafter in equal consecutive monthly installments of Five Hundred Ninety-two and 33/10 Dollars (\$592.33) each, the first installment falling due on December 1, 1997, and a like sum due and payable on the same day of each and every subsequent month, for a period of 36 months, with the balance of the purchase price being due and payable in full at that time. The monthly payments referred to herein are based upon the payments the Seller makes to Atlantic Mortgage & Investment Corp. for principle, interest, taxes and insurance on the herein described property. The balance of the purchase price referred to above means the amount owed to Atlantic Mortgage & Investment Corp. or its assigns and/or successors at the time said 36th payment is due and payable. Possession of the above property shall be delivered to the Purchasers on or before December 1, 1997. However, title to the property shall remain in the Seller until the full purchase price is paid.

STATE MS.-DE SOTO CO.
FILED

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W.E. DAVIS CH. CLK.

SECTION THREE

PLACE OF PAYMENTS

All payments shall be made at such place the seller shall designate.

SECTION FOUR

TAXES AND ASSESSMENTS

Seller agrees to pay all taxes, assessments, or impositions that may be legally levied or imposed on the described property during the term of this agreement.

SECTION FIVE

FORFEITURE AND TERMINATION

In case of the failure of purchaser to make any of the payments or any part of the payments or to perform any of the covenants on the purchaser's part to be made or performed under this agreement, this agreement shall, at the option of seller, be forfeited and terminated, and purchaser shall forfeit all payments made by purchaser under the agreement. Such payments shall be retained by seller in full satisfaction and liquidation of all damages sustained by seller. In the event of the nonpayment of such payments, seller shall have the right to re-enter and take possession of the premises without being liable to any action therefor.

SECTION SIX

CONDITION OF PREMISES

Purchaser agrees to keep the premises in good state of repair, reasonable wear and tear alone excepted, and further agrees to keep the premises clean, free, and clear of any conditions that would constitute a fire hazard.

SECTION SEVEN

IMPROVEMENTS

Purchaser agrees not to place any improvements on the property so as to create any lien on it in favor of a third party. In default of this provision, seller shall have the right to re-enter and take possession of and title to the premises.

SECTION EIGHT

INSURANCE

Seller shall keep the property insured as required by Atlantic

Mortgage & Investment Corp.

SECTION NINE

PREPAYMENT

Purchaser is hereby given the express privilege of paying all or any part of the purchase price at any time prior to maturity.

SECTION TEN

TIME OF PAYMENT


It is mutually agreed by the parties to this agreement that the time of each payment shall be an essential part of this agreement.

SECTION ELEVEN

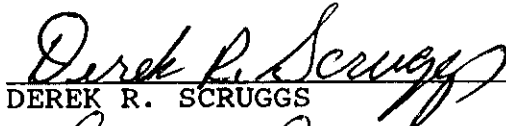
BINDING EFFECT

It is mutually agreed by the parties to this agreement that all covenants and agreements contained in it shall extend and be obligatory on the heirs, executors, administrators, successors, and assigns of the respective parties.

In witness whereof the parties have executed this agreement at Hernando, Mississippi the day and year first about written.


GEORGE M. STARRETT


PATSY H. STARRETT

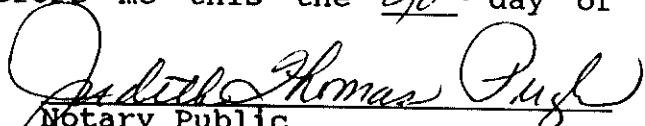

DEREK R. SCRUGGS

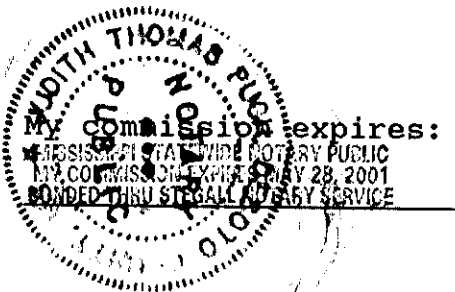

LISA A. SCRUGGS

STATE OF MISSISSIPPI
COUNTY OF DESOTO

This day personally appeared before me, the undersigned authority of law in and for the jurisdiction aforesaid, GEORGE M. STARRETT, who acknowledged that he signed and delivered the above Agreement on the day and year therein mentioned as his free and voluntary act and deed and for the purposes therein expressed.

Sworn to and subscribed before me this the 20th day of October, 1997.

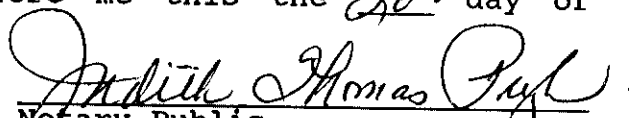

Notary Public

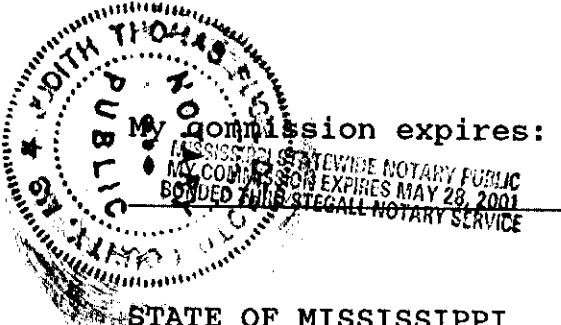


STATE OF MISSISSIPPI
COUNTY OF DESOTO

This day personally appeared before me, the undersigned authority of law in and for the jurisdiction aforesaid, PATSY H. STARRETT, who acknowledged that she signed and delivered the above Agreement on the day and year therein mentioned as her free and voluntary act and deed and for the purposes therein expressed.

Sworn to and subscribed before me this the 20th day of October, 1997.


Notary Public



STATE OF MISSISSIPPI
COUNTY OF DESOTO

This day personally appeared before me, the undersigned authority of law in and for the jurisdiction aforesaid, DEREK R. SCRUGGS, who acknowledged that he signed and delivered the above Agreement on the day and year therein mentioned as his free and voluntary act and deed and for the purposes therein expressed.

Sworn to and subscribed before me this the 20th day of

October, 1997.

Judith Thomas Pugh
Notary Public

My commission expires:

MISSISSIPPI STATEWIDE NOTARY PUBLIC
MY COMMISSION EXPIRES MAY 23, 2001
BONDED THROUGH STAGALL NOTARY SERVICE

STATE OF MISSISSIPPI
COUNTY OF DESOTO

This day personally appeared before me, the undersigned authority of law in and for the jurisdiction aforesaid, LISA A. SCRUGGS, who acknowledged that she signed and delivered the above Agreement on the day and year therein mentioned as her free and voluntary act and deed and for the purposes therein expressed.

Sworn to and subscribed before me this the 20th day of October, 1997.

Judith Thomas Pugh
Notary Public

My commission expires:

MISSISSIPPI STATEWIDE NOTARY PUBLIC
MY COMMISSION EXPIRES MAY 23, 2001
BONDED THROUGH STAGALL NOTARY SERVICE

PROPERTY DESCRIPTION

A 6.45 acre tract of land being known as Parcel F of the land division survey of the Joe Dennis estate and the line survey of the Clinton Newberry land as recorded in Plat Book 2, Page 6, Office of the Chancery Clerk of DeSoto County, Mississippi, and being located in Section 36, Township 3 South, Range 8 West, more particularly described as follows:

BEGINNING at a point in the centerline of 30 feet access road (Book 36, Page 390), said point being 664.5 feet West and 2176.00 feet South of the Northeast Corner of the Southwest Quarter of Section 36, Township 3 South, Range 8 West, said point being also the Northwest Corner of Parcel E; thence South 00 degrees 18 minutes 55 seconds West 423.00 feet with the centerline of said access road and along the westerly line of Parcel E to a point in the northerly line of Ranch; thence South 89 degrees 30 minutes 20 seconds West 664.50 feet with the northerly line of said road to a point; thence North 00 degrees 18 minutes 55 seconds East 423.00 feet along an existing fence line to a point at the Southwest Corner of Parcel C; thence North 89 degrees 30 minutes 20 seconds East 664.50 feet along an existing fence and along the southerly line of Parcel C to the point of beginning, containing 6.45 acres of land, as per the survey of Ben W. Smith, R.L.S., dated December 11, 1987, and being the same property conveyed to Grantors herein by instrument dated 1/25/88 and recorded in the office of the Chancery Clerk of DeSoto County, Mississippi, in Book 235, Page 257.